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INTRODUCTION

Kalkaska County Prosecuting Attorney (PA) had a contract with the Michigan Family Independence Agency (FIA) to establish paternity and to obtain support orders for all cases where the Kalkaska County PA had jurisdiction. The Kalkaska County PA billed FIA monthly under the actual cost reimbursement billing method. FIA reimbursed Kalkaska County PA for their costs based on the Federal IV-D Program regulations.

SCOPE

We performed an audit of the costs submitted for reimbursement by the Kalkaska County PA for the period October 1, 2000 through September 30, 2001. We performed the audit tests that we determined were necessary to determine if the costs charged were proper, accurate, documented, and charged in accordance with the terms of the contract.

EXECUTIVE SUMMARY

We found that the Kalkaska County PA overbilled the FIA for the Personnel line item. The State share of the net amount overbilled was \$1,888. We also found that the child support staff person did not prepare the required time certification. (See Schedule A.)

Our report recommends the Family Services Administration initiate the process to recoup a total of \$1,888 from the Kalkaska County PA and require that the child support staff person prepare the required time certification.

PA RESPONSE

The PA did not respond to our draft report.

FINDINGS

PA IV-D%

1. The Kalkaska County PA overbilled the FIA \$1,888 for the PA personnel costs. On days when the PA was on leave, at a conference, etc. 3.33 hrs out of 8 were charged as child support time and the remainder was considered non-child support time. The entire 8 hours should have been counted as non-productive time in accordance with PA Letter 99-004. (The effect of counting the hours, as non-productive time, is that both child support and non-child support activities are charged with their fair share of the cost of non-productive time.)

100% Child Support Staff Time Certification

2. The child support staff person charged 100% of her time to child support activities but did not prepare the required certification. PA Letter 99-004 requires an employee to certify that in fact 100% of their time was spent on child support activities. (The requirements are contained in the Personnel Activity Report instructions.) No time was disallowed in this audit because it appeared that the child support staff person only worked on child support activities.

WE RECOMMEND the Family Services Administration initiate the process to recoup a total of \$1,888 from the Kalkaska County PA and require that the child support staff person prepare the required time certification.

Finding #	Line Item	Audit Period	(Over)/Under Billed Gross Amount	IV-D %	(Over)/Under Billed IV-D Amount	Due (State) County
1	Personnel	10/1/2000-9/30/2001	(2,861)		(2,861)	
Grand Total of the IV-D Audit Adjustments					\$	(2,861)
Calculation of the Payment Due the (State) County						
					Total	
Audited IV-D Amount						56,467
IV-D Amount Used for the Payments Actually Made						(59,327)
IV-D Audit Adjustment Due (State) County						(2,861)
State Share %						66.00%
						(1,888)